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ALAKA`I MECHANICAL CORPORATION

IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF HAWAII

ALAKA`I MECHANICAL	)	CV 14-00145 HG KSC
CORPORATION,	)	
	)	<b>FINDINGS AND</b>
Plaintiff,	)	<b>RECOMMENDATION;</b>
	)	<b>EXHIBIT "A"</b>
vs.	)	
	)	
RMA LAND CONSTRUCTION,	)	
INC. – ECC (A JOINT VENTURE);	)	
RMA LAND CONSTRUCTION,	)	
INC.; and ENVIRONMENTAL	)	
CHEMICAL CORPORATION,	)	
	)	
Defendants.	)	
_____	)	

**FINDINGS AND RECOMMENDATION**

This Findings and Recommendation discusses Plaintiff Alakai`i Mechanical Corporation's Renewed Motion for Default Judgment Against Defendant RMA Land Construction, Inc., filed herein on September 8, 2015 [Doc. 47].

## **I. RELEVANT HISTORY AND FINDINGS**

1. Plaintiff Alakai is a Hawaii licensed mechanical contractor that is also registered and licensed to engage in plumbing and sheet metal contracting business.

2. Plaintiff entered into RMA Land Construction, Inc. (“RMA”) Purchase Order 100.01001.01 on March 7, 2011. Plaintiff also entered into a subcontract agreement with Defendant RMA Land Construction, Inc.-ECC (A Joint Venture)(“RMA-ECC”), Subcontract No. 100.01001.90, with an effective date of March 10, 2011, for the providing of construction services, information, items, equipment, goods and other services for the project known as the Child Development Center (CDC), Naval Station, Ford Island, Hawaii, RMA-ECC (JV) Project No. 10.0100 (aka 09-389) (“Project”).

3. As a joint venture, the partners which formed Defendant RMA-ECC, RMA and Defendant Environmental Chemical Corporation (“ECC”), are jointly and severally liable for the debts of Defendant RMA-ECC.

4. Defendant RMA-ECC was the prime contractor for the Project. Naval Facilities Engineering Command Pacific (“Owner”), 258 Makalpa Drive, Suite 100, Pearl Harbor, Hawaii was the Owner of the Project. Defendant RMA-ECC and Owner entered into Prime Contract No. N62742-10-C-1302 for the construction of the Project.

5. Plaintiff Alakai provided construction services, information, items, equipment, goods and other services for the Project.

6. Defendant RMA-ECC has not paid Plaintiff its invoiced amounts of \$102,630.80 under RMA Purchase Order 100.01001.01 dated March 7, 2011 and the Subcontract Agreement dated March 10, 2011. Plaintiff Alakai has properly supported through Declaration this amount owed.

7. Pursuant to Section 14.2 of the Subcontract and paragraph 12 of the Purchase Order General Terms and Conditions, Plaintiff submitted its demand to Defendant RMA-ECC, which was received by Defendant RMA-ECC on September 20, 2013. The demand for payment also included a demand for a “meeting of the highest level management of RMA-ECC” as prescribed by Section 14.2 of the Subcontract and paragraph 12 of the Purchase Order General Terms and Conditions.

8. Defendant RMA-ECC has failed to acknowledge or respond to Plaintiff’s demand.

9. Plaintiff Alakai commenced this action against RMA-ECC and its two members, RMA and ECC, to recover the \$102,630.80 in principal owed, together with interest, attorneys fees and costs. All Defendants were properly served.

10. Defendant RMA has failed to answer, appear or otherwise defend, and the time to otherwise move or plead has expired and has not been extended in this

action. Default against Defendant RMA was entered by the Court on August 18, 2014.

11. Defendants RMA-ECC and ECC did answer and appear. The action was stayed to permit arbitration, but a settlement as between Alakai and ECC was reached (the “Settlement Agreement”), and ECC has now paid its agreed portion of the amounts owing to Alakai. The Settlement Agreement preserved Alakai’s rights as against RMA for the remaining amounts it is owed.

12. Pursuant to the terms of the Settlement Agreement, Defendant ECC has made the following payments to Plaintiff:

- a. \$34,210.27 received by Plaintiff on March 12, 2015, 12 days past the due date;
- b. \$34,210.27 received by Plaintiff on June 2, 2015, 33 days past the due date.
- c. \$35,213.14 received by Plaintiff on September 2, 2015, 71 days past due.

13. After calculating the principal, payments, interest and attorney’s fees and costs, Plaintiff is still due and owed the amount of \$62,687.23, a detailed calculation of which is attached hereto as Exhibit “A”.

14. Based on its default, RMA remains liable to Plaintiff for this remaining \$62,687.23 together with additional per diem interest after November 17, 2015 in the amount of \$16.89 per day.

## **II. CONCLUSION**

In conclusion, I find that it is appropriate to grant Plaintiff Alaka'i Mechanical Corporation's Renewed Motion for Default Judgment Against RMA Land Construction, Inc. in the amount of \$62,687.23, inclusive of attorney's fees and costs, plus interest in the amount of \$16.89 per day after November 17, 2015. Based on the terms of the Settlement Agreement, I also find that it is appropriate to dismiss all other claims in this action as against RMA-ECC and ECC with prejudice, each party to bear its own costs and fees. No parties or claims shall thereafter remain, and final judgment in favor of Alakai as against RMA may enter.

IT IS SO FOUND AND RECOMMENDED.

DATED: Honolulu, Hawaii, December 8, 2015.



  
Kevin S.C. Chang  
United States Magistrate Judge